

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of
**INSURANCE CORPORATION OF
NEW YORK,**
An Authorized Insurer.

No. G 2004 - 41

)
) ORDER SUSPENDING
) CERTIFICATE OF AUTHORITY NO. 860

To: Alan Hunte, President
The Insurance Corporation of New York
1 Canterbury Green
Stamford, Connecticut 06901-2032

IT IS ORDERED and you are hereby notified that Certificate of Authority No. 860 issued to The Insurance Corporation of New York (ICNY) to act as an insurer is hereby suspended pursuant to RCW 48.05.130, 48.05.140, and 48.05.150 and WAC 284-16-310. This Order is effective immediately.

IT IS FURTHER ORDERED that within 60 days of the date of this order, ICNY shall file with the Insurance Commissioner a plan by which ICNY will correct its current financially hazardous condition. That plan will be designed to obtain full correction of its financially hazardous condition before one year from the date of this order.

THIS ORDER IS BASED ON THE FOLLOWING:

Notice of intention to enter this order was mailed April 6, 2004.

The Insurance Commissioner of the State of Washington finds that ICNY is presently in such condition that its further transaction of insurance in this state would be hazardous to policyholders and the people in this state. Specifically, ICNY filed its annual statement as of December 31, 2003, reporting results of operations which evidence the following financially hazardous conditions: 9 unusual ratios established by the NAIC Insurance Regulatory Information System (WAC 284-16-310(2)); ICNY's affiliate, subsidiary, or reinsurer is insolvent (WAC 284-16-310(7)); and ICNY has experienced cash flow and/or liquidity problems (WAC 284-16-310(15)).

The Insurance Commissioner of the State of Washington finds the sale, solicitation, renewal, or issuance of any new policies by ICNY would be hazardous to its policyholders, contractholders, creditors, and the public of this state.

This order shall remain in effect until further notice by the Insurance Commissioner, or one year from issuance, whichever comes first.

This order does not relieve ICNY from any reporting, filing, or fee/tax payment required by Title 48 RCW.

Chapters 48.04 and 34.05 RCW provide ICNY the right to demand a hearing on this order.

ENTERED at Olympia, Washington this 16th day of April, 2004.

Michael G. Watson
Chief Deputy Insurance Commissioner